

United States Department of the Interior

BUREAU OF LAND MANAGEMENT Moab Field Office 82 East Dogwood Moab, Utah 84532



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FEB 0 2 2012

3809 UTU-72499 (UTY012)

DIV. OF OIL, GAS & MINING

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DECISION

Lisbon Valley Mining Company LLC Attn: Lantz Indergard 755 North Main Street, Suite B Moab, Utah 84532

Surface Management

PLAN OF OPERATIONS MODIFICATIONS APPROVED

Among the Conditions of Approval attached to the Plan of Operations Modification September 15, 2100 approval for the Lisbon Valley Copper Mine was a requirement that Lisbon Valley Mining Company LLC (Lisbon Valley Mining) was not to proceed with expansion of waste dump C east of the cultural resource protection fence, until the Research Design and Data Recover Mitigation Plan, to mitigate to sites impacted by expansion was completed. The data collection and mitigation plan has been implemented and the BLM is waiting for the full report on the findings. The BLM received a Brief Summary Field Report from the cultural resource contractor, which was passed on for Native American Consultation. Through consultation, the Tribes requested a copy of the full report. Though the BLM has further consultation to complete, the work under the mitigation plan is complete. Lisbon Valley Mining Company LLC (Lisbon Valley Mining) has approval to expand waste dump C to cover portions of the two sites (see attached map). Any expansion beyond what is proposed and identified on this map is not authorized at this time. Lisbon Valley Mining must conduct operations as described in the Plan of Operations as modified.

The rationale for this decision are based on the need for Lisbon Mining to continue to mine a valuable deposit of copper under the authority of the mining laws of the United States while ensuring that operations are conducted in a manner that will prevent unnecessary or undue degradation as defined at 43 CFR 3089.5.

Financial Guarantee

The BLM reviewed Lisbon Valley Mining's financial guarantee and considered the modifications and interim reclamation, to determine that the required financial guarantee remains unchanged at \$6,030,060.00 for reclamation of the Lisbon Valley Copper Mine. This financial guarantee is already in place with the Utah Division of Oil, Gas and Mining, and it has been accepted and obligated by the Utah BLM State Office.

Approval of a Plan of Operations by the BLM does not constitute a determination regarding the validity or ownership of any unpatented mining claim involved in the mining operation. Lisbon Valley Mining is responsible for obtaining any use rights or local, state, or federal permits, licenses, or reviews that may be required for the operation.

This decision also constitutes concurrence with Lisbon Valley Mining's use and occupancy of public lands as described in the approved Plan of Operation. Lisbon Valley Mining must maintain compliance with the Use and Occupancy regulations at 43 CFR 3715.2, 3715.2-1, and 3715.5 throughout the duration of the approved Plan of Operations. Concurrence by the BLM on Lisbon Valley Mining's proposed use and occupancy is not subject to State Director Review, but may be appealed by adversely affected parties directly to the Interior Board of Land Appeals as outlined in enclosed BLM Form 1842-1.

Appeal of the Decision

If you do not agree and are adversely affected by this decision, you may request that the Utah BLM State Director review this decision. If you request a State Director Review, the request must be received in the Utah BLM State Office at 440 West 200 South, P.O. Box 45155, Salt Lake City, Utah 84145-0155, no later than 30 calendar days after you receive or have been notified of this decision. The request for State Director Review must be filed in accordance with the provisions in 43 CFR 3809.805. This decision will remain in effect while the State Director Review is pending, unless a Stay is granted by the State Director. If you request a Stay, you have the burden of proof to demonstrate that a Stay should be granted.

If the State Director does not make a decision on your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the Utah BLM State Office to determine when BLM received the request for State Director Review. You have 30 days from the end of the 21day period in which to file your Notice of Appeal with this office at Moab Field Office at 82 East Dogwood, Moab, Utah 84532, which we will forward to IBLA.

If you wish to bypass a State Director Review, this decision may be appealed directly to the IBLA in accordance with the regulations at 43 CFR 3809.801(a)(1). Your Notice of Appeal must be filed in this office at Monticello Field Office at 82 East Dogwood, Moab, Utah 84532, within 30 days from receipt of this decision. As the appellant you have the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulations 43 CFR4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the IBLA, the petition for a stay must accompany your Notice Appeal. Copies of the Notice of Appeal and petition for stay must also be submitted to each party named in the decision and to the Office of the Solicitor at Federal Building Rm-6201, 125 South State Street, Salt Lake City, Utah 84138, at the same time the original documents are filed in this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted based on the standards listed below.

Standards of Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- 1. The relative harm to the parties if the stay is granted or denied;
- 2. The likelihood of the appellant's success on the merits;
- 3. The likelihood of immediate and irreparable harm if the stay is not granted; and
- 4. Whether the public interest favors granting the stay.

If you have any questions, please contact Rebecca Doolittle in person at 82 East Dogwood, Moab, Utah, 84532 or by telephone at (435) 259-2141.

/s/ Jeffrey R. Smith

Jeffrey R. Smith Field Manager

2 Enclosures

1-Map

2- Form 1842-1, Information on Taking Appeals to the Interior Board of Land Appeals.

cc: Tom Munson/UDOGM Opie Abeyta/UT923

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